

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

* * *

FEDERAL TRADE COMMISSION,)
Plaintiff,) 2:08-CV-00620-PMP-PAL
v.)
PUBLISHERS BUSINESS SERVICES,) PERMANENT INJUNCTION
INC., et al.,)
Defendants.)

Plaintiff Federal Trade Commission (“Commission” or “FTC”) commenced this action on May 14, 2008, pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, to secure preliminary and permanent injunctive relief, rescission or reformation of contracts, restitution, disgorgement of ill-gotten monies, and other equitable relief for Defendants’ acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and in violation of the FTC’s Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310. Plaintiff filed a motion for summary judgment, or in the alternative, for summary adjudication of issues, on July 31, 2009.

The Court, having granted summary judgment in favor of Plaintiff, and having found that Plaintiff is entitled to the relief sought against Defendants for their deceptive and abusive acts and practices in connection with the marketing and sale of magazine subscriptions, hereby makes findings and enters an Order for Permanent Injunction and Other Equitable Relief (“Order”) as follows:

1 **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

- 2 1. This Court has jurisdiction over the subject matter of this action and each of the
3 parties. Venue lies properly with this Court.
- 4 2. Pursuant to Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) and 57b, the
5 Commission has the authority to seek the relief contained herein.
- 6 3. The acts and practices of Defendants, as alleged in the Amended Complaint, are in
7 or affecting commerce, as defined in Section 4 of the FTC Act, 15 U.S.C. § 44.
- 8 4. The Commission's Amended Complaint states a claim upon which relief may be
9 granted against Defendants under Sections 5(a), 13(b), and 19 of the FTC Act, 15 U.S.C.
10 §§ 45(a), 53(b) and 57b, the Telemarketing and Consumer Fraud and Abuse Prevention Act
11 ("Telemarketing Act"), 15 U.S.C. § 6101 et seq., and the TSR, 16 C.F.R. Part 310, as
12 amended.
- 13 5. There is no genuine issue as to any material fact concerning the liability of
14 Defendants for the illegal practices charged in the Amended Complaint.
- 15 6. Undisputed facts show that in the course of telemarketing magazine subscriptions,
16 Defendants engaged in a pattern and practice of making material misrepresentations to
17 consumers to trick consumers into believing they had entered into enforceable contracts in
18 which they agreed to pay Defendants hundreds of dollars for non-cancellable long-term
19 magazine subscriptions.
- 20 7. Undisputed facts show that in the course of telemarketing magazine subscriptions,
21 Defendants engaged in a pattern and practice of making abusive and harassing telephone
22 calls to scare consumers into paying them hundreds of dollars for non-cancellable long-term
23 magazine subscriptions.
- 24 8. As no material facts are in dispute, the FTC is entitled to judgment as a matter of
25 law pursuant to Rule 56(c) of the Federal Rules of Civil Procedure.
- 26 9. There is a reasonable likelihood that Defendants will continue to engage in the same

1 or similar activities alleged in the Commission's Amended Complaint unless permanently
2 enjoined from such acts and practices.

3 **DEFINITIONS**

4 1. "Amended Complaint" means the "Amended Complaint for Injunctive and Other
5 Equitable Relief" filed in this case on February 5, 2009.
6 2. "Assisting others" means providing substantial assistance or support to any person
7 while knowing or consciously avoiding knowing that the person or entity is engaged in any
8 act or practice that violates this Order, Section 5 of the FTC Act, 15 U.S.C. § 45, or the
9 TSR, 16 C.F.R. Part 310. For purposes of this Order, providing substantial assistance or
10 support includes, but is not limited to: (1) performing customer service functions, including,
11 but not limited to, receiving or responding to consumer complaints; (2) formulating or
12 providing, or arranging for the formulation or provision of, any telephone sales script, debt
13 collection script, form collection letter, or any other marketing material; (3) providing
14 names of, or assisting in the generation of, potential customers; or (4) performing marketing
15 services of any kind.

16 3. "Billing information" means any data (including but not limited to name, address,
17 telephone number, e-mail address, account number, routing number, date of birth, or social
18 security number) that enables any person to access a customer's account, such as a credit
19 card, checking, savings, share or similar account, utility bill, mortgage loan account, or
20 debit card.

21 4. "Complaint" means the "Complaint for Injunctive and Other Equitable Relief"
22 filed in this case on May 14, 2008.

23 5. "Corporate Defendants" means Publishers Business Services, Inc., Ed Dantuma
24 Enterprises, Inc., also doing business as Publishers Direct Services and Publishers Business
25 Services, and their successors and assigns, and each of them by whatever names each might
26 be known.

1 6. "Defendants" means the Individual Defendants and Corporate Defendants,
2 individually, collectively, or in any combination, and each of them by whatever names each
3 might be known.

4 7. "Document" is synonymous in meaning and equal in scope to the usage of the term
5 in Rule 34(a) of the Federal Rule of Civil Procedure and includes:

6 1. The original and copies of any written, typed, printed, transcribed, taped,
7 recorded, filmed, or graphic matter or other data compilations of any kind,
8 whether in hard copy or stored electronically. The term "document" includes but
9 is not limited to: letters, e-mail and other correspondence, messages, memoranda,
10 interoffice communications, notes, reports, summaries, manuals, magnetic tapes
11 or discs, tabulations, books, records, checks, invoices, work papers, journals,
12 ledgers, statements, returns, reports, schedules, or files; and

13 2. Any information electronically stored on any desktop personal computer or
14 workstation; laptop, notebook or other portable computer (whether assigned to
15 individuals or in pools of computers available for shared use); home computers
16 used for work-related purposes; backup disks and tapes, archive disks and tapes,
17 and other forms of offline storage, whether stored onsite with the computer used
18 to generate them, stored offsite in another company facility, or stored offsite by a
19 third party; and computers and related offline storage used by Defendants'
20 participating associates, which may include persons who are not employees of the
21 company or who do not work on company premises.

22 8. "Individual Defendants" means Persis Dantuma, Edward F. Dantuma, Brenda
23 Dantuma Schang, Dries Dantuma, Dirk Dantuma, and Jeffrey Dantuma, and each of them
24 by whatever names each might be known.

25 9. "Material" means likely to affect a person's choice of, or conduct regarding, goods or
26 services.

10. "Person" means any individual, group, unincorporated association, limited or general partnership, corporation, or other business entity.

11. "Preliminary Injunction" means the "Stipulation and Preliminary Injunction," entered in this case on June 3, 2008.

ORDER

I. PROHIBITED MISREPRESENTATIONS

IT IS HEREBY ORDERED that, in connection with the advertising, promotion, offering, or sale of magazine subscriptions, Defendants, their officers, agents, servants, employees, and all other persons or entities in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, are hereby restrained and enjoined from, directly or indirectly, misrepresenting, expressly or by implication:

A. During Defendants' initial marketing contact with any consumer:

1. Any fact material to the consumer's decision to purchase any magazine subscription;
 2. That Defendants' purpose in contacting the consumer is to conduct a survey;
 3. That Defendants will send magazines to the consumer as a free gift;
 4. The weekly, monthly, or other periodic cost at which Defendants will sell magazines to the consumer;
 5. The total cost that the consumer must pay for a magazine subscription;

B. In any of Defendants' communications with any consumer:

1. Any fact material to the consumer's decision to purchase any magazine subscription;
 2. That Defendants' purpose in contacting the consumer is to conduct a survey;
 3. That Defendants will send magazines to the consumer as a free gift;

- 1 4. The weekly, monthly, or other periodic cost at which Defendants will
- 2 sell magazines to the consumer;
- 3 5. The total cost that the consumer must pay for a magazine subscription;
- 4 6. That the consumer previously entered into a contract, verbal or
- 5 otherwise, with any Defendant to purchase magazine subscriptions, and
- 6 therefore is obligated to pay any Defendant for the magazine
- 7 subscriptions;
- 8 7. The total price for magazine subscriptions or the shipping and handling
- 9 cost that the consumer previously agreed to pay to Defendants;
- 10 8. That the consumer has given his or her express informed consent to
- 11 purchase magazine subscriptions, and therefore is obligated to pay a
- 12 Defendant for the magazine subscriptions; and
- 13 9. The amount of money that any Defendant has remitted to a magazine
- 14 publisher for subscriptions on behalf of the consumer.

15 **II. PROHIBITED BUSINESS PRACTICES**

16 IT IS FURTHER ORDERED that, in connection with the advertising, promotion,
17 offering, or sale of magazine subscriptions, Defendants, their officers, agents, servants,
18 employees, and all other persons or entities in active concert or participation with them who
19 receive actual notice of this Order by personal service or otherwise, are hereby restrained
20 and enjoined from:

- 21 A. Failing to clearly and conspicuously disclose, contemporaneous with
22 Defendants' presentation to any consumer of any terms of an offer to provide
23 magazine subscriptions:
 - 24 1. All fees, costs, cancellation terms, material refund terms or the fact that
25 refunds are not provided;
 - 26 2. All material conditions, limitations, restrictions to purchase or the good

1 or service that is the subject of the offer (including any promotion
2 associated with “free” goods or services); and

3 3. All material terms and conditions of any payment plan, including but
4 not limited to: the dollar amount of the first payment and when it will be
5 charged or become due; the dates or frequency (e.g., weekly, monthly,
6 quarterly) of all subsequent charges or payment(s); the dollar amounts of
7 each subsequent charge or payment; and the total cost that the consumer
8 will incur pursuant to the subscription term and the payment plan;

9 B. Directly or indirectly causing billing information to be submitted for payment
10 unless Defendants first obtain the consumer’s express informed consent to be
11 charged for the goods or services, which must be evidenced by:

12 1. A written agreement with the consumer that includes all of the
13 information required to be disclosed pursuant to Subsection A of this
14 Section, above, and the consumer’s signature acknowledging receipt of
15 these disclosures; or

16 2. The consumer’s express oral authorization as part of an
17 audio-recording which:

18 a. Includes the entirety of Defendants’ solicitation and the
19 consumer’s agreement, including the initial sales pitch and any
20 follow-up solicitations in which Defendants present any terms of
21 their offer to provide magazine subscriptions;

22 b. Clearly evidences the consumer’s receipt of both the information
23 required to be disclosed pursuant to Subsection A of this Section,
24 above, and the information required to be disclosed pursuant to the
25 Telemarketing Sales Rule;

26 c. Clearly evidences the consumer’s authorization of payment for

the goods or services that are the subject of the solicitation and agreement;

d. Can be identified and located by either the consumer's name or telephone number; and

e. Is made available upon request to the consumer, the consumer's bank or other billing entity, the Commission, state attorneys general, and other governmental consumer protection agencies;

C. Offering to sell and selling magazine subscriptions to the consumer for a term which exceeds the maximum subscription term authorized by the publishers for that magazine; and

D. Collecting or attempting to collect money from the consumer for a subscription term which exceeds the term of the subscription which Defendants order from the magazine publishers for the consumer.

III. PROHIBITION AGAINST VIOLATING THE TELEMARKETING SALES RULE

IT IS FURTHER ORDERED that Defendants, their officers, agents, servants, employees, and all other persons or entities in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, are hereby restrained and enjoined from directly or indirectly violating, or assisting others to violate, any provision of the FTC's Telemarketing Sales Rule, 16 C.F.R. Part 310, including but not limited to:

A. Section 310.4(d)(2), which prohibits a telemarketer during an outbound telephone call or internal or external upsell to induce the purchase of goods or services from failing to disclose truthfully, promptly, and in a clear and conspicuous manner to the person receiving the call, that the purpose of the call is to sell goods or services;

- 1 B. Section 310.3(a)(2)(i), which prohibits a seller or telemarketer from
2 misrepresenting, directly or by implication, in connection with the sale of goods
3 or services, the total costs to purchase, receive, or use, and the quantity of, any
4 goods or services that are the subject of a sales offer;
- 5 C. Section 310.3(a)(2)(iv), which prohibits a seller or telemarketer from
6 misrepresenting, directly or by implication, in connection with the sale of goods
7 or services, any material aspect of the nature or terms of the seller's refund,
8 cancellation, exchange, or repurchase policies;
- 9 D. Section 310.3(a)(4), which prohibits a seller or telemarketer from making a
10 false or misleading statement to induce any person to pay for goods or services;
11 and
- 12 E. Section 310.4(b)(1), which prohibits a telemarketer from causing, or a seller
13 from causing a telemarketer to cause, any telephone to ring, or engaging any
14 person in telephone conversation, repeatedly or continuously with intent to
15 annoy, abuse, or harass any person at the called number.

16 **IV. MONITORING REQUIREMENT**

17 IT IS FURTHER ORDERED that, in connection with the advertising, promotion,
18 offering, or sale of magazine subscriptions, Defendants shall take reasonable steps
19 sufficient to monitor and ensure that all of Defendants' agents, representatives, employees,
20 independent contractors, and contract employees comply with the requirements of Sections
21 I, II, III, and IV of this Order, and when such persons are engaged in telemarketing such
22 steps shall include but are not limited to the following:

- 23 A. Providing each of Defendants' agents, representatives, employees,
24 independent contractors, and contract employees with a copy of this Order;
- 25 B. Establishing and adhering to a procedure for receiving and responding to
26 consumer complaints of violations of the FTC Act, the Telemarketing Sales Rule,

1 or this Order;

2 C. Ascertaining the number and nature of consumer complaints that pertain to
3 each agent, representative, employee, independent contractor, or contract
4 employee;

5 D. Promptly and fully investigating, and resolving, any consumer complaint; and

6 E. Taking corrective action, which may include training, disciplining, and/or
7 terminating any such person whom Defendants determine is not complying with
8 the FTC Act, the Telemarketing Sales Rule, or this Order;

9 Provided however, that this subsection does not authorize or require Defendants
10 to take any action that violates any federal, state, or local law.

11 **V. MONITORING COMPLIANCE OF SALES PERSONNEL**

12 IT IS FURTHER ORDERED that Defendants, and their officers, agents,
13 servants, employees, and those persons in active concert or participation with them who
14 receive actual notice of this Order by personal service or otherwise, in connection with any
15 business where any Defendant is the majority owner of the business or directly or indirectly
16 manages or controls the business, are hereby permanently restrained and enjoined from:

17 A. Failing to take reasonable steps sufficient to monitor and ensure that all
18 employees, agents, and independent contractors engaged in sales or other
19 customer service functions comply with Section II, III, and IV of this Order.

20 Such steps shall include adequate monitoring of sales presentations or other calls
21 with customers, and shall also include, at a minimum, the following:

22 1. listening to the oral representations made by persons engaged in sales
23 or other customer service functions;

24 2. establishing a procedure for receiving and responding to consumer
25 complaints; and

26 3. ascertaining the number and nature of consumer complaints regarding

1 transactions in which each employee or independent contractor is
2 involved;

3 Provided that this Paragraph does not authorize or require the Defendants to take
4 any steps that violate any federal, state, or local laws;

5 B. Failing promptly to investigate fully any consumer complaint received by any
6 business to which this Section applies; and

7 C. Failing to take corrective action with respect to any sales person Defendants
8 determine is not complying with this Order, which may include training,
9 disciplining, and/or terminating such sales person.

10 **VI. DISCLOSURE OF CUSTOMER INFORMATION**

11 IT IS FURTHER ORDERED that Defendants, and their officers, agents,
12 servants, and employees, and all other persons or entities in active concert or participation
13 with them who receive actual notice of this Order by personal service or otherwise, are
14 permanently restrained and enjoined from selling, renting, leasing, transferring, or
15 otherwise disclosing the name, address, telephone number, credit card number, bank
16 account number, e-mail address, or other identifying information of any person who paid
17 any money to any Defendant, at any time prior to entry of this Order, for any product or
18 service about or related to magazine subscriptions. Provided, however, that Defendants
19 may disclose such identifying information to a law enforcement agency or as required by
20 any law, regulation, or court order.

21 **VII. COMPLIANCE MONITORING**

22 IT IS FURTHER ORDERED that for the purpose of monitoring and
23 investigating compliance with any provision of this Order,

24 A. Within ten (10) days of receipt of written notice from a representative of the
25 Commission, each Defendant shall submit additional written reports, which are
26 true and accurate and sworn to under penalty of perjury; produce documents for

1 inspection and copying; appear for deposition; and provide entry during normal
2 business hours to any business location in such Defendant's possession or direct
3 or indirect control to inspect the business operation;

4 B. In addition, the Commission is authorized to monitor compliance with this
5 Order by all lawful means including, but not limited to, the following:

6 1. Obtaining discovery from any person, without further leave of court,
7 using the procedures prescribed by Fed. R. Civ. P. 30, 31, 33, 34, 36, 45,
8 and 69;

9 2. Posing as consumers and suppliers to Defendants, Defendants'
10 employees, or any other entity managed or controlled in whole or in part
11 by Defendants, without the necessity of identification or prior notice; and

12 C. Defendants shall permit representatives of the Commission to interview any
13 employer, consultant, independent contractor, representative, agent, or employee
14 who has agreed to such an interview, relating in any way to any conduct subject
15 to this Order. The person interviewed may have counsel present.

16 Provided, however, that nothing in this Order shall limit the Commission's lawful
17 use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49
18 and 57b-1, to obtain any documentary material, tangible things, testimony, or information
19 relevant to unfair or deceptive acts or practices in or affecting commerce (within the
20 meaning of 15 U.S.C. § 45(a)(1)).

21 **VIII. COMPLIANCE REPORTING**

22 IT IS FURTHER ORDERED that, in order that compliance with the provisions
23 of this Order may be monitored:

24 A. For a period of five (5) years from the date of entry of this Order,

25 1. Each Individual Defendant shall notify the Commission of the
26 following:

- 1 a. Any changes in such Defendant's residence, mailing addresses,
2 and telephone numbers, within ten (10) days of the date of such
3 change;
- 4 b. Any changes in such Defendant's employment status (including
5 self-employment), and any change in such Defendant's ownership
6 in any business entity, within ten (10) days of the date of such
7 change. Such notice shall include the name and address of each
8 business that such Defendant is affiliated with, employed by,
9 creates or forms, or performs services for; a detailed description of
10 the nature of the business; and a detailed description of such
11 Defendant's duties and responsibilities in connection with the
12 business or employment; and
- 13 c. Any changes in such Defendant's name or use of any aliases or
14 fictitious names;

15 2. Defendants shall notify the Commission of any changes in structure of
16 any Corporate Defendant or any business entity that any Defendant
17 directly or indirectly controls, or has an ownership interest in, that may
18 affect compliance obligations arising under this Order, including but not
19 limited to: incorporation or other organization; a dissolution, assignment,
20 sale, merger, or other action; the creation or dissolution of a subsidiary,
21 parent, or affiliate that engages in any acts or practices subject to this
22 Order; or a change in the business name or address, at least thirty (30)
23 days prior to such change, provided that, with respect to any proposed
24 change in the business entity about which a Defendant learns less than
25 thirty (30) days prior to the date such action is to take place, such
26 Defendant shall notify the Commission as soon as is practicable after

1 obtaining such knowledge.

2 B. One hundred eighty (180) days after the date of entry of this Order and
3 annually thereafter for a period of five (5) years, Defendants each shall provide a
4 written report to the FTC, which is true and accurate and sworn to under penalty
5 of perjury, setting forth in detail the manner and form in which they have
6 complied and are complying with this Order. This report shall include, but not be
7 limited to:

8 1. For each Individual Defendant:

- 9 a. such Defendant's then-current residence address, mailing
10 addresses, and telephone numbers;
- 11 b. such Defendant's then-current employment status (including
12 self-employment), including the name, addresses, and telephone
13 numbers of each business that such Defendant is affiliated with,
14 employed by, or performs services for; a detailed description of the
15 nature of the business; and a detailed description of such
16 Defendant's duties and responsibilities in connection with the
17 business or employment; and
- 18 c. Any other changes required to be reported under Subsection A
19 of this Section.

20 2. For all Defendants:

- 21 a. A copy of each acknowledgment of receipt of this Order,
22 obtained pursuant to the Section titled "Distribution of Order;" and
- 23 b. Any other changes required to be reported under Subsection A
24 of this Section.

25 C. Each Defendant shall notify the Commission of the filing of a bankruptcy
26 petition by such Defendant within fifteen (15) days of filing.

1 D. For the purposes of this Order, Defendants shall, unless otherwise directed by
2 the Commission's authorized representatives, send by overnight courier all
3 reports and notifications required by this Order to the Commission, to the
4 following address:

5 Associate Director for Enforcement
6 Federal Trade Commission
7 600 Pennsylvania Avenue, N.W., Room NJ-2122
8 Washington, D.C. 20580
9 RE: FTC v. Publishers Business Services, Inc., et al.

10 Provided that, in lieu of overnight courier, Defendants may send such reports or
11 notifications by first-class mail, but only if Defendants contemporaneously send an
12 electronic version of such report or notification to the Commission at: DEBrief@ftc.gov.

13 E. For purposes of the compliance reporting and monitoring required by this
14 Order, the Commission is authorized to communicate directly with each
15 Defendant.

16 **IX. RECORD KEEPING PROVISIONS**

17 IT IS FURTHER ORDERED that, for a period of five (5) years from the date of
18 entry of this Order, in connection with the advertising, promotion, offering, or sale of
19 magazine subscriptions, Defendants, and their agents, employees, officers, corporations,
20 and those persons in active concert or participation with them who receive actual notice of
21 this Order by personal service or otherwise, are hereby restrained and enjoined from failing
22 to create and retain the following records:

- 23 A. Accounting records that reflect the cost of goods or services sold, revenues
24 generated, and the disbursement of such revenues;
- 25 B. Personnel records accurately reflecting: the name, address, and telephone
26 number of each person employed in any capacity by such business, including as
 an independent contractor; that person's job title or position; the date upon which
 the person commenced work; and the date and reason for the person's

1 termination, if applicable;

2 C. Customer files containing the names, addresses, phone numbers, dollar
3 amounts paid, quantity of items or services purchased, and description of items or
4 services purchased, to the extent such information is obtained in the ordinary
5 course of business;

6 D. Complaints and refund requests (whether received directly, indirectly, or
7 through any third party) and any responses to those complaints or requests;

8 E. Copies of all sales scripts, training materials, advertisements, or other
9 marketing materials; and

10 F. All records and documents necessary to demonstrate full compliance with
11 each provision of this Order, including but not limited to, copies of
12 acknowledgments of receipt of this Order required by the Sections titled
13 “Distribution of Order” and “Acknowledgment of Receipt of Order” and all
14 reports submitted to the FTC pursuant to the Section titled “Compliance
15 Reporting.”

16 X. DISTRIBUTION OF ORDER

17 IT IS FURTHER ORDERED that, for a period of five (5) years from the date of
18 entry of this Order, Defendants shall deliver copies of the Order as directed below:

19 A. Corporate Defendant: Each Corporate Defendant must deliver a copy of this
20 Order to (1) all of its principals, officers, directors, and managers; (2) all of its
21 employees, agents, and representatives who engage in conduct related to the
22 subject matter of the Order; and (3) any business entity resulting from any change
23 in structure set forth in Subsection A.2 of the Section titled “Compliance
24 Reporting.” For current personnel, delivery shall be within five (5) days of
25 service of this Order upon such Defendant. For new personnel, delivery shall
26 occur prior to them assuming their responsibilities. For any business entity

1 resulting from any change in structure set forth in Subsection A.2 of the Section
2 titled “Compliance Reporting,” delivery shall be at least ten (10) days prior to the
3 change in structure.

4 B. Individual Defendant as Control Person: For any business that an Individual
5 Defendant controls, directly or indirectly, or in which such Defendant has a
6 majority ownership interest, such Defendant must deliver a copy of this Order to
7 (1) all principals, officers, directors, and managers of that business; (2) all
8 employees, agents, and representatives of that business who engage in conduct
9 related to the subject matter of the Order; and (3) any business entity resulting
10 from any change in structure set forth in Subsection A.2 of the Section titled
11 “Compliance Reporting.” For current personnel, delivery shall be within five (5)
12 days of service of this Order upon such Defendant. For new personnel, delivery
13 shall occur prior to them assuming their responsibilities. For any business entity
14 resulting from any change in structure set forth in Subsection A.2 of the Section
15 titled “Compliance Reporting,” delivery shall be at least ten (10) days prior to the
16 change in structure.

17 C. Individual Defendant as employee or non-control person: For any business
18 where an Individual Defendant is not a controlling person of a business but
19 otherwise engages in conduct related to the subject matter of this Order, such
20 Defendant must deliver a copy of this Order to all principals and managers of
21 such business before engaging in such conduct.

22 D. Defendants must secure a signed and dated statement acknowledging receipt
23 of the Order, within thirty (30) days of delivery, from all persons receiving a
24 copy of the Order pursuant to this Section.

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1 **XI. ACKNOWLEDGMENT OF RECEIPT OF ORDER**

2 IT IS FURTHER ORDERED that each Defendant, within five (5) business days
3 of receipt of this Order as entered by the Court, must submit to the Commission a truthful
4 sworn statement acknowledging receipt of this Order.

5 **XII. RETENTION OF JURISDICTION**

6 IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this
7 matter for purposes of construction, modification, and enforcement of this Order.
8 Defendants will be subject to contempt sanctions for any violation of this Order.

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10 **IT IS SO ORDERED**, this 7th day of April 2010.

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14 PHILIP M. PRO
United States District Judge

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